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Counsel to Weneta M. A. Kosmala, Chapter 7 Trustee for  
The Tulving Company, Inc.

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SANTA ANA DIVISION

In re:

THE TULVING COMPANY, INC., a  
California corporation,

Debtor

Chapter 7

Case No.: 8:14-bk-11492-ES

**NOTICE OF MOTION AND MOTION OF  
CHAPTER 7 TRUSTEE TO PAY INVOICE  
OF GREATCOLLECTIONS.COM D/B/A  
GREAT COLLECTIONS; MEMORANDUM  
OF POINTS AND AUTHORITIES;  
DECLARATION OF WENETA M.A.  
KOSMALA**

[NO HEARING REQUIRED]

**PLEASE TAKE NOTICE THAT** Weneta M.A. Kosmala, the duly appointed chapter 7 trustee (the “Trustee”) of the bankruptcy estate of The Tulving Company, Inc. (“Debtor”) hereby moves the Court (the “Motion”) for authorization to pay the invoice of GreatCollections.com d/b/a Great Collections (“Great Collections”), a copy of which is appended to the Motion as **Exhibit A**. Great Collections provided auctioneer and related services to the Estate pursuant to this Court’s order authorizing its retention on or about October 12, 2016.<sup>1</sup>

<sup>1</sup> See Order Granting Motion for Order Authorizing the Trustee to (I) Retain GreatCollections.com d/b/a Great Collections as Auctioneer, (II) Modify, in part, Asset Distribution Plan, and (III) Set New Opt-Out Deadline for Victim/Creditors to Determine Whether to Receive Error Coins in Partial Payment of their Claim and Sell Coins not Distributed to Creditors Free and Clear of All Liens, Claims and Interests [Dkt. No. 634]

1           **PLEASE TAKE FURTHER NOTICE** that the Motion is based on this Notice of Motion  
2 and Motion, the accompanying Memorandum of Points and Authorities, the Declaration of Weneta  
3 M.A. Kosmala filed concurrently herewith, and any other admissible evidence properly brought  
4 before the Court at any hearing hereon.

5           **PLEASE TAKE FURTHER NOTICE** that Local Bankruptcy Rule 9013-1(f) requires that  
6 any response to the Motion be filed with the Bankruptcy Court and served upon Trustee's counsel at  
7 the address appearing on the upper-left hand corner of the caption page to this Motion and the Office  
8 of the U.S. Trustee no later than fourteen (14) days prior to the Hearing hereon. The response must  
9 be a complete written statement of all reasons in opposition to or in support of the Motion and  
10 include declarations, documents and any responding memorandum of points and authorities.  
11 Pursuant to Local Bankruptcy Rule 9013-1(h), the failure to timely file and serve written opposition  
12 may be deemed by the Court to be consent to the granting of the relief requested in the Motion.

13           **WHEREFORE**, The Trustee respectfully requests that the Court authorize the Trustee to  
14 pay the invoice of Great Collections, and grant such other and further relief as is appropriate and  
15 just.

16 Dated: May 31, 2017

PACHULSKI STANG ZIEHL & JONES LLP

18 By /s/ Linda F. Cantor  
19 Linda F. Cantor

20 Counsel for Weneta M.A. Kosmala, Chapter 7  
21 Trustee  
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**MEMORANDUM OF POINTS AND AUTHORITIES**

Weneta M.A. Kosmala, the duly appointed chapter 7 trustee (the “Trustee”) of the bankruptcy estate of The Tulving Company, Inc. (“Debtor”) hereby moves the Court (the “Motion”) for authorization to pay the invoice of GreatCollections.com d/b/a Great Collections (“Great Collections”), which was retained by the estate pursuant to this Court’s *Order Granting Motion for Order Authorizing the Trustee to (I) Retain GreatCollections.com d/b/a Great Collections as Auctioneer, (II) Modify, in part, Asset Distribution Plan, and (III) Set New Opt-Out Deadline for Victim/Creditors to Determine Whether to Receive Error Coins in Partial Payment of their Claim and Sell Coins not Distributed to Creditors Free and Clear of All Liens, Claims and Interests* [Dkt. No. 634] (the “Retention Order”).

In accordance with Sections 327, 328, 330 and 331 of Title 11 of the United States Code, 11 U.S.C. § 101 et seq., (the “Bankruptcy Code”), Great Collections was retained to provide auctioneer and related services including transporting certain valuable coins (the “Error Coins”) from Dallas, Texas to Irvine, California, valuation of the Error Coins by submitting the coins to Professional Coin Grading Service (“PCGS”) for grading and encapsulation, inventorying the Error Coins and, upon further Court order, shipment of the Error Coins to creditors who were victims of the Debtor’s crime (“Victim/Creditors”). Great Collections was paid \$20,000 as an advance deposit, and the balance of its fees and expenses is now due. Attached hereto as **Exhibit A** is a copy of Great Collections’ invoice for services rendered to the estate.<sup>2</sup>

The Trustee has reviewed Great Collections’ invoice and finds the fees to be reasonable and consistent with its prior estimates.<sup>3</sup> In addition, the services provided by Great Collections have benefitted the estate. The Trustee had no ability to substantiate the values ascribed to the Error Coins by the Debtor’s coin expert or by Heritage Auctioneers, which were vastly inconsistent. Without a formal valuation, the Error Coins could not be ratably allocated to Victim/Creditors.

<sup>2</sup> Great Collections’ auction services, to the extent utilized, will be subject to separate billing on the terms set forth in the Retention Order)

<sup>3</sup> See Declaration of Ian Russell in support of the *Motion for Order Authorizing the Trustee to (I) Retain GreatCollections.com d/b/a Great Collections as Auctioneer, (II) Modify, in part, Asset Distribution Plan, and (III) Set New Opt-Out Deadline for Victim/Creditors to Determine Whether to Receive Error Coins in Partial Payment of their Claim and Sell Coins not Distributed to Creditors Free and Clear of All Liens, Claims and Interests* [Dkt. No. 623] (the “Retention Motion”).

1 Through the efforts of Great Collections and PCGS, 15,580 Error Coins have been individually  
2 graded and encapsulated, with an aggregate value determination of \$2,955,113. Based on  
3 calculations by the Trustee's financial advisors, a ratable distribution of the Error Coins will result in  
4 Victim/Creditors who opt-in to receive such coins, receiving value of between 18.73% and 18.77%  
5 of their claims.

6 For the foregoing reasons, the Trustee requests that the Court approve the Great Collections'  
7 invoice in the amount of \$99,885.00, and authorize the Trustee to pay the balance of that invoice in  
8 the amount of \$79,885.00.

9 Dated: May 31, 2017

PACHULSKI STANG ZIEHL & JONES LLP

10  
11 By /s/ Linda F. Cantor  
12 Linda F. Cantor, Counsel for Weneta M. A. Kosmala,  
13 Chapter 7 Trustee for The Tulving Company, Inc.  
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PACHULSKI STANG ZIEHL & JONES LLP  
ATTORNEYS AT LAW  
LOS ANGELES, CALIFORNIA

# Exhibit A



17500 Red Hill Avenue, Suite 180  
Irvine, CA 92614  
(949)679-4180  
ian@greatcollections.com

**BILL TO**

Tulving Company  
Tulving Company (Trustee Weneta  
Kosmala)

**SHIP TO**

Tulving Company  
Tulving Company (Trustee Weneta  
Kosmala)

**INVOICE Q1857****DATE 05/01/2017 TERMS Due on receipt****DUE DATE 05/01/2017**

ACTIVITY	QTY	RATE	AMOUNT
<b>4060 - Grading Fees</b> Grading Presidential/Sacagawea Dollars Errors at PCGS 12761 coins @\$7	1	89,327.00	89,327.00
<b>4090 - Professional Services</b> Dallas Pick-up	1	7,250.00	7,250.00
<b>4090 - Professional Services</b> Cost of Bond Required by Trustee	1	1,420.00	1,420.00
<b>4090 - Professional Services</b> Preparation of spreadsheet for c2800 coins that were already graded, detailing each coin, PCGS #s and certification numbers. 24.5 hours @\$65	1	1,592.50	1,592.50
<b>4090 - Professional Services</b> Adding PCGS pricing to spreadsheet to the c15000 coins. 4.5 hours @\$65	1	295.50	295.50
<b>TOTAL</b>			99,885.00
<b>DEPOSIT</b>			20,000.00
<b>TOTAL DUE</b>			<b>\$79,885.00</b>

**DECLARATION OF WENETA M.A. KOSMALA**

I, Weneta M.A. Kosmala, declare as follows:

1. I am the duly appointed chapter 7 trustee of the above-captioned bankruptcy case (the “Trustee”). I am making this Declaration in support of the *Motion To Pay Invoice Of Greatcollections.Com d/b/a Great Collection; Memorandum of Points and Authorities* (the “Motion”). All terms defined in the Motion shall have the same meanings when used herein.

2. Pursuant to Section 327, 328, 330 and 331 of the Bankruptcy Code, Great Collections was retained to provide auctioneer and related services including transporting the Error Coins from Dallas, Texas to Irvine California, valuation of the Error Coins by submitting the coins to Professional Coin Grading Service for grading and encapsulation, inventorying the Error Coins and, upon further Court order, shipment of the Error Coins to Victim/Creditors. Great Collections was paid \$20,000 as an advance deposit, and the balance of its fees and expenses is now due. Attached hereto as Exhibit A is a copy of Great Collections’ invoice for services rendered to the estate.<sup>1</sup>

3. I have reviewed Great Collections’ invoice and finds the fees to be reasonable and consistent with its prior estimates.<sup>2</sup> In addition, the services provided by Great Collections have benefitted the estate. As Trustee, I had no ability to substantiate the values ascribed to the Error Coins by the Debtor’s coin expert or by Heritage Auctioneers, which were vastly inconsistent. Without a formal valuation, the Error Coins could not be ratably allocated to Victim/Creditors. Through the efforts of Great Collections and PCGS, 15,580 Error Coins have been individually graded and encapsulated, with an aggregate value determination of \$2,955,113. Based on the calculations by my financial advisors, a ratable distribution of the Error Coins will result in Victim/Creditors who opt in to receive such coins, receiving value of between 18.73% and 18.77% of their claims.

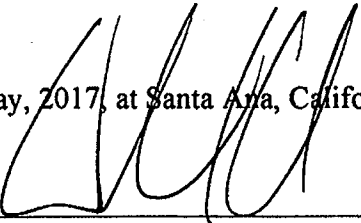
<sup>1</sup> Great Collections’ auction services, to the extent utilized, will be subject to separate billing on the terms set forth in the Retention Order.

<sup>2</sup> See Declaration of Ian Russell in support of the Retention Motion.

1           4.       For the foregoing reasons, as Trustee I request that the Court approve the Great  
2 Collections invoice in the amount of \$99,885.00, and authorize me to pay the balance of that invoice  
3 in the amount of \$79,885.00.

4  
5           I declare under penalty of perjury under the laws of the United States that the foregoing is  
6 true and correct.

7           Executed on this 30<sup>th</sup> day of May, 2017, at Santa Ana, California.



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9           \_\_\_\_\_  
Weneta M.A. Kosmala



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: **10100 Santa Monica Blvd., 13<sup>th</sup> Floor, Los Angeles, CA 90067**

A true and correct copy of the foregoing document entitled **MOTION NOTICE OF MOTION AND MOTION TO PAY INVOICE OF RETAIN GREATCOLLECTIONS.COM D/B/A GREAT COLLECTIONS; MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATION OF WENETA M.A. KOSMALA**

will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **May 31, 2017**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On **May 31, 2017**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **May 31, 2017**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

***Via Federal Express***

The Honorable Erithe A. Smith  
United States Bankruptcy Court  
Central District of California  
Ronald Reagan Federal Building and Courthouse  
411 West Fourth Street, Suite 5040  
Santa Ana, CA 92701-4593

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

May 31, 2017  
Date

Janice G. Washington  
Printed Name

/s/Janice G. Washington  
Signature

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):**

Michael R Adele on behalf of Defendant  
Armen Haig Gugasian  
techlitcenter@yahoo.com, kadele@wgllp.com

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ecf@gibbslaw.com

Michael R Adele on behalf of Defendant  
Levon Gugasian  
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Nancy S Goldenberg on behalf of U.S. Trustee  
United States Trustee (SA)  
nancy.goldenberg@usdoj.gov

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Candice Bryner on behalf of Interested Party  
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United States Trustee (SA)  
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Nanette D Sanders on behalf of Creditor  
Levon Gugasian  
becky@ringstadlaw.com

Linda F Cantor, ESQ on behalf of Other  
Professional Pachulski Stang Ziehl & Jones  
LLP  
lcantor@pszjlaw.com, lcantor@pszjlaw.com

Richard C Spencer on behalf of Interested  
Party Courtesy NEF  
rspencer@rspencerlaw.com

David L Gibbs on behalf of Creditor Kenneth  
W Stach

United States Trustee (SA)  
ustpregion16.sa.ecf@usdoj.gov

1  
2 **2. SERVED BY UNITED STATES MAIL:**

3 Chapter 7 Trustee

4 Weneta M.A. Kosmala  
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6 Santa Ana, CA 92707

7 Attorneys for Debtor

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10 435 East Morehead Street  
11 Charlotte, NC 28202

12 Laurence P Nokes on behalf of Interested

13 Party John Frankel

14 Nokes & Quinn  
15 410 Broadway St Ste 200  
16 Laguna Beach, CA 92651

17 Brent Murdoch

18 Murdoch & Morris, LLP  
19 114 Pacifica, Ste. 320  
20 Irvine, CA 92618

21 Interested Party

22 Frye & Hsieh  
23 Douglas J Frye Esquire  
24 24955 Pacific Coast Highway # A201  
25 Malibu, CA 90265

26 Counsel for Creditor Levon Gugasian

27 Nanette D. Sanders, Esq.  
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